

each of such three years, less all loss and loss expense payments made in connection with such claims under policies written in the corresponding years. But in any event in the case of the first year of any such three-year period, such reserve shall be not less than the present value at four percent (4%) interest of the determined and the estimated unpaid compensation claims under policies written during such year.

(5) (i) With the approval of the Insurance Commissioner, for all health care professional liability claims, the reserve may not be less than the present value at 4 percent interest of the determined or estimated future payments, or both; but in any event, the reserve may not be less than the reserve required by paragraph (2) of this section.

(ii) If a health care professional liability insurer reserves its health care professional liability claims at less than the full amount of the determined or estimated future payment of those claims, or both, then the insurer shall file interim statements with the Commissioner as provided under § 58(2) of this article.

(iii) The benefit to any medical malpractice insurer resulting from any discount of reserves under this paragraph shall inure to the policyholders of that insurer in the form of a reduction in premium consistent with the amount of the discount.

(iv) The Insurance Commissioner shall report to the Legislative Policy Committee on or before October 1 of each year concerning the effect that any discount of reserves has had on the reduction of premiums referred to in this paragraph. The first report shall be submitted by October 1, 1989.

(6) The Commissioner may, in his discretion, waive the provisions of this section with respect to combination or multiple peril policies where the predominating exposure to loss is on types of insurance other than liability, unless such policies include motor vehicle liability or workmen's compensation insurance.

DRAFTER'S NOTE:

Error: Extraneous comma in Article 48A, § 80.

Occurred: Ch. 553, Acts of 1963.

171.

(d) The references to "state" in this section, other than to "this [State,] STATE", shall be deemed to include the provinces of Canada.